



JPMorgan Chase Bank, N.A.
Global Trade Services
300 South Riverside Plaza
Mail Code IL1-0236
Chicago, IL 60606-0236

SEP 14, 2009
OUR L/C NO.: TPTS-734296

LETTER OF CREDIT NO.: TPTS-734296

AMOUNT: FIVE MILLION AND 00/100 UNITED STATES DOLLARS
(USD5,000,000.00)

APPLICANT: WHEELABRATOR TECHNOLOGIES, INC.
ATTN: GENERAL COUNSEL
4 LIBERTY LANE WEST
HAMPTON, NH 03842

BENEFICIARY: SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA
ATTN: ROWLAND L. TAYLOR
723 WOODLAKE DRIVE
CHESAPEAKE, VIRGINIA 23320

GENTLEMEN:

AT THE REQUEST AND ON INSTRUCTIONS OF WHEELABRATOR TECHNOLOGIES, INC. (THE 'APPLICANT'), JPMORGAN CHASE BANK, N.A. ('ISSUING BANK') HEREBY ESTABLISHES IN FAVOR OF SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA ('BENEFICIARY') THIS IRREVOCABLE LETTER OF CREDIT ('LOC') IN THE AGGREGATE AMOUNT OF FIVE MILLION AND 00/100 UNITED STATES DOLLARS (USD5,000,000.00) (THE 'FACE AMOUNT'). WE UNDERSTAND THIS LOC IS FURNISHED IN CONNECTION WITH AND PURSUANT TO (I) THAT CERTAIN IRREVOCABLE OFFER RELATING TO THE COMPREHENSIVE AGREEMENT DATED AS OF SEPTEMBER 9, 2009 BETWEEN THE APPLICANT AND THE BENEFICIARY (THE 'IRRECOVABLE OFFER'), AND (II) THAT CERTAIN PURCHASE AND SALE AGREEMENT DATED AS OF SEPTEMBER 9, 2009 BETWEEN THE APPLICANT AND THE BENEFICIARY (THE 'PURCHASE AND SALE AGREEMENT') PURSUANT TO WHICH THE APPLICANT HAS AGREED TO SECURE ITS PERFORMANCE AND PAYMENT OBLIGATIONS THEREUNDER, IN PART, BY THIS LOC.

DEMANDS FOR PAYMENT HEREUNDER MAY BE MADE IN WHOLE OR IN PART FROM TIME TO TIME BY, AND THE ISSUING BANK SHALL PAY UPON, PRESENTATION TO THE ISSUING BANK OF ONE OR MORE DRAFTS AT SIGHT, EACH OF WHICH SHALL BE IN THE FORM OF ATTACHMENT 1 ATTACHED HERETO, SIGNED BY AN OFFICER OF BENEFICIARY (OR ONE DESCRIBING HIMSELF/HERSELF THEREIN AS SUCH). ALL SUCH DRAFTS HEREUNDER TOGETHER SHALL NOT EXCEED THE FACE AMOUNT IN THE AGGREGATE.



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ALL DEMANDS FOR PAYMENT HEREUNDER, TOGETHER WITH ANY DOCUMENTS PRESENTED TO ISSUING BANK IN CONNECTION THEREWITH, AS WELL AS ALL NOTICES AND OTHER COMMUNICATIONS TO ISSUING BANK IN RESPECT OF THIS LOC, SHALL BE IN WRITING, SHALL MAKE SPECIFIC REFERENCE TO THIS LOC BY NUMBER, AND SHALL BE ADDRESSED AND PRESENTED OR PERSONALLY DELIVERED TO THE ISSUING BANK, ADDRESS: JPMORGAN CHASE BANK, N.A. C/O JPMORGAN TREASURY SERVICES, 10420 HIGHLAND MANOR DRIVE, 4TH FLOOR, TAMPA, FL 33610 ATTN STANDBY LETTER OF CREDIT DEPARTMENT. SUCH DOCUMENTS, NOTICES, AND OTHER COMMUNICATIONS SHALL BE PERSONALLY DELIVERED OR MAILED BY U.S. REGISTERED MAIL OR OVERNIGHT COURIER TO ISSUING BANK. ISSUING BANK RESERVES THE RIGHT TO CHANGE THE ADDRESS FOR NOTICES HEREUNDER BY DELIVERING WRITTEN NOTICE OF ANY SUCH CHANGE TO THE BENEFICIARY AT THE ADDRESS ABOVE. PAYMENTS HEREUNDER WILL BE MADE WITHOUT ANY REQUIREMENT OF PRIOR NOTICE TO THE COMPANY.

WE HEREBY AGREE WITH YOU THAT IF DOCUMENTS ARE PRESENTED TO US UNDER THIS LETTER OF CREDIT AT OR PRIOR TO 12:00 P.M. EASTERN TIME, ON A BUSINESS DAY, AND PROVIDED THAT SUCH DOCUMENTS PRESENTED CONFORM WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE EFFECTED BY US IN IMMEDIATELY AVAILABLE FUNDS BY THE CLOSE OF BUSINESS ON THE THIRD BUSINESS DAY FOLLOWING THE DATE OF PRESENTATION. IF DOCUMENTS ARE PRESENTED TO US UNDER THIS LETTER OF CREDIT AFTER 12:00 P.M. EASTERN TIME ON A BUSINESS DAY AND PROVIDED THAT SUCH DOCUMENTS CONFORM WITH THE TERMS AND CONDITIONS OF THIS LETTER OF CREDIT, PAYMENT SHALL BE EFFECTED BY US IN IMMEDIATELY AVAILABLE FUNDS ON THE FOURTH FOLLOWING BUSINESS DAY. AS USED IN THIS LETTER OF CREDIT, ''BUSINESS DAY'' SHALL MEAN ANY DAY OTHER THAN A SATURDAY, SUNDAY OR A DAY ON WHICH BANKING INSTITUTIONS IN THE STATE OF NEW YORK ARE AUTHORIZED OR REQUIRED BY LAW TO CLOSE.

THE MAXIMUM LIABILITY OF THE ISSUING BANK UNDER THIS LOC IS EXPRESSLY LIMITED TO AND SHALL NOT EXCEED THE SUM OF FIVE MILLION AND 00/100 UNITED STATES DOLLARS (USD5,000,000).

THIS LOC SHALL BECOME NULL AND VOID AND BE OF NO FURTHER FORCE AND EFFECT UPON THE EARLIER TO OCCUR OF: (I) THE ISSUING BANK'S PAYMENT IN FULL OF ITS OBLIGATIONS HEREUNDER, OR (II) THE EXPIRATION OF THIS LOC ON MARCH 31, 2010 IN ACCORDANCE WITH ITS TERMS, OR (III) OUR RECEIPT OF THE ORIGINAL LOC, INCLUDING ANY AMENDMENTS, ACCOMPANIED BY YOUR STATEMENT INDICATING



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THAT YOU ARE RETURNING THE LOC FOR TERMINATION.

THIS LOC MAY NOT BE TRANSFERRED IN WHOLE OR IN PART.

IT IS A CONDITION OF THIS LETTER OF CREDIT THAT IT SHALL BE AUTOMATICALLY EXTENDED WITHOUT AMENDMENT FOR ADDITIONAL 12 MONTH PERIODS FROM THE PRESENT OR EACH FUTURE EXPIRATION DATE, UNLESS AT LEAST 60 DAYS PRIOR TO THE CURRENT EXPIRY DATE WE SEND NOTICE IN WRITING TO YOU VIA OVERNIGHT COURIER OR HAND DELIVERY AT THE ABOVE ADDRESS, THAT WE ELECT NOT TO AUTOMATICALLY EXTEND THIS LETTER OF CREDIT FOR ANY ADDITIONAL PERIOD. HOWEVER IN NO EVENT SHALL THIS LETTER OF CREDIT BE AUTOMATICALLY EXTENDED BEYOND THE FINAL EXPIRY DATE OF DECEMBER 31, 2017. UPON SUCH NOTICE TO YOU, YOU MAY DRAW ON US AT SIGHT FOR AN AMOUNT NOT TO EXCEED THE BALANCE REMAINING IN THIS LETTER OF CREDIT WITHIN THE THEN-APPLICABLE EXPIRY DATE, BY YOUR SWIFT OR PRESENTATION OF YOUR DRAFT AT SIGHT DRAWN ON JPMORGAN CHASE BANK, N.A., MENTIONING THEREON 'DRAWN ON JPMORGAN CHASE BANK, N.A. LETTER OF CREDIT TPTS-734296.'

IN THE EVENT THIS LETTER OF CREDIT IS SUBSEQUENTLY AMENDED BY US TO EITHER:

- I) RESCIND A NOTICE OF NON-EXTENSION AND TO EXTEND THE EXPIRY DATE HEREOF TO A FUTURE DATE, OR
- II) EXTEND THE EXPIRY DATE TO A DATE THAT IS AFTER THE STATED FINAL EXPIRY DATE HEREOF, SUCH EXTENSION SHALL BE FOR THAT SINGLE PERIOD ONLY AND THIS LETTER OF CREDIT WILL NOT BE SUBJECT TO ANY FUTURE AUTOMATIC EXTENSIONS UNLESS OTHERWISE STATED.

THIS LOC SETS FORTH IN FULL THE TERMS OF ISSUING BANK'S UNDERTAKING, AND THIS UNDERTAKING SHALL NOT IN ANY WAY BE MODIFIED, AMENDED OR AMPLIFIED BY REFERENCE TO ANY DOCUMENT, INSTRUMENT, OR AGREEMENT REFERRED TO HEREIN (EXCEPT THE UNIFORM CUSTOMS (HEREINAFTER DEFINED)) OR IN WHICH THIS LOC IS REFERRED TO OR TO WHICH THIS LOC RELATES, AND ANY SUCH REFERENCE SHALL NOT BE DEEMED TO INCORPORATE HEREIN BY REFERENCE ANY DOCUMENT, INSTRUMENT, OR AGREEMENT.

UNLESS OTHERWISE EXPRESSLY STATED, THIS LOC IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (2007 REVISION), INTERNATIONAL CHAMBER OF COMMERCE, PUBLICATION NO. 600 (THE 'UNIFORM



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CUSTOMS''). THIS LOC SHALL BE DEEMED TO BE A CONTRACT MADE UNDER THE LAWS
OF THE STATE OF NEW YORK AND SHALL, AS TO MATTERS NOT GOVERNED BY THE
UNIFORM CUSTOMS, BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS
OF SAID STATE, WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW.

SINCERELY,

JPMORGAN CHASE BANK, N.A.

BY: 

NAME: RALPH T. DAVIS
TITLE: ASSISTANT VICE PRESIDENT



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ATTACHMENT 1

SIGHT DRAFT

SOUTHEASTERN PUBLIC SERVICE AUTHORITY OF VIRGINIA (THE ''BENEFICIARY'')
HEREBY DEMANDS PAYMENT IN THE AMOUNT OF UNITED STATES DOLLARS
(USD.....) UNDER THAT CERTAIN IRREVOCABLE LETTER OF CREDIT NO. TPTS-
734296 (THE ''LOC'') ISSUED BY JPMORGAN CHASE BANK, N.A. (''ISSUING
BANK'') AND DATED SEPTEMBER 14, 2009. THE AGGREGATE AMOUNT OF ALL PRIOR
DRAWS UNDER THE LOC IS USD....., WHICH TOGETHER WITH THIS DRAW, DO
NOT EXCEED THE FACE AMOUNT OF THE LOC.

THE BENEFICIARY HEREBY CERTIFIES THAT (1) WHEELABRATOR TECHNOLOGIES, INC.
(THE '' APPLICANT'') IS IN BREACH OF ITS OBLIGATION(S) UNDER THE PURCHASE
AGREEMENT BETWEEN THE BENEFICIARY AND THE APPLICANT. (2) ALL CONDITIONS TO
MAKING THIS DRAW, AS SET FORTH IN THE PURCHASE AGREEMENT HAVE BEEN
SATISFIED, AND (3) THE BENEFICIARY IS ENTITLED TO MAKE THIS DRAW UNDER THE
TERMS HEREOF.



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IN WITNESS WHEREOF, THE UNDERSIGNED DULY AUTHORIZED OFFICER OF THE
BENEFICIARY HAS EXECUTED THIS SIGHT DRAFT AS OF THE DATE SET FORTH BELOW.

DATE:

SOUTHEASTERN PUBLIC SERVICE
AUTHORITY OF VIRGINIA

BY:

NAME:

TITLE:

AUTHORIZED SIGNATURE

RALPH T. DAVIS
ASSISTANT VICE PRESIDENT